IN THE CLAIMS:

1.-25. (Cancelled)

26. (Currently Amended) A picture decoding method for decoding a bitstream, said method comprising:

~~outputting a decoded picture by~~ decoding a coded picture included in the bitstream to obtain a decoded picture, using a decoding unit;

~~outputting a filtered picture by performing a filtering process on the decoded picture;~~

filtering the decoded picture to obtain a filtered picture, using a filter;

extracting, using a demultiplexing unit, filtering application information from the bitstream, the filtering application information indicating, on a picture-by-picture basis, which one of the decoded picture and the filtered pictures ~~before the filtering process and the decoded picture after the filtering process~~ is outputted for a display process; and

storing, in a memory, the ~~decoded~~ filtered picture ~~after the filtering process~~ as a reference picture for decoding another picture, using a storing unit, and outputting the decoded picture, using an outputting unit, ~~before the filtering process~~ in the case where the ~~decoded~~ filtered picture is the reference picture and the filtering application information indicates, ~~as the picture for the display process,~~ the decoded picture ~~before the filtering~~ is outputted for the display process.

27.   (Currently Amended) The picture decoding method according to Claim 26, further comprising:

storing, in the memory, the ~~decoded~~ filtered picture ~~after the filtering process~~ as a

5   reference picture for decoding another picture[[,]] and outputting the ~~decoded~~ filtered picture, ~~after the filtering process~~ in the case where the ~~decoded~~ filtered picture is the reference picture and the filtering application information indicates, ~~as the picture for the display process,~~ the ~~decoded~~ filtered picture ~~after the filtering~~ is outputted for the display process.

28.   (Previously Presented) The picture decoding method according to Claim 26,

wherein the filtering application information is applied for a predetermined picture and each picture following the predetermined picture.

29.   (Previously Presented) A picture decoding apparatus for decoding a bitstream, said apparatus comprising:

a decoding unit operable to output a decoded picture by decoding a coded picture included in the bitstream;

5   a filtering unit operable to output a filtered picture by performing a filtering process on the decoded picture;

an extracting unit operable to extract filtering application information from the bitstream, the filtering application information indicating, on a picture-by-picture basis, which one of the decoded picture before the filtering process and the decoded picture after the filtering

10   process is outputted for a display process;

a storing unit operable to store, in a memory, the decoded picture after the filtering process as a reference picture; and

a display picture output unit operable to output the decoded picture before the filtering process in the case where the decoded picture is the reference picture and the filtering

15 application information indicates, as the picture for the display process, the decoded picture before the filtering process.

30. (Previously Presented) The picture decoding apparatus according to claim 29,

wherein said display picture output unit further operable to output the decoded picture after the filtering process in the case where the decoded picture is the reference picture and the filtering application information indicates, as the picture for the display process, the

5 decoded picture after the filtering process.

31. (Previously Presented) The picture decoding apparatus according to claim 29,

wherein the filtering application information is applied for a predetermined picture and each picture following the predetermined picture.

32. (New) A picture decoding apparatus for decoding a bitstream, said apparatus comprising:

a decoding unit operable to decode a coded picture included in the bitstream to obtain a decoded picture;

5 a filter operable to filter the decoded picture to obtain a filtered picture;

a demultiplexing unit operable to extract filtering application information from the bitstream, the filtering application information indicating, on a picture-by-picture basis, which one of the decoded picture and the filtered picture is outputted for a display process;

a storing unit operable to store, in a memory, the filtered picture as a reference

10 picture for decoding another picture; and

an outputting unit operable to output the decoded picture, in the case where the filtered picture is the reference picture and the filtering application information indicates the decoded picture is outputted for the display process.

33. (New) The picture decoding apparatus according to claim 32,

wherein said outputting unit further operable to output the filtered picture, in the case where the filtered picture is the reference picture and the filtering application information indicates the filtered picture is outputted for the display process.

34. (New) The picture decoding apparatus according to claim 33

wherein the filtering application information is applied for a predetermined picture and each picture following the predetermined picture.